

WC 05-329

Stamp and Return

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDINGFEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICEApproved by OMB  
3060-0589  
Page 1 of 1

(1) LOCK BOX # <b>358145</b>		FCC/MELLON		NOV 22 2005		SPECIAL USE ONLY	
						FCC USE ONLY	
SECTION A - PAYER INFORMATION							
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) <b>Heart of Iowa Communications Cooperative</b>				(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) <b>\$895.00</b>			
(4) STREET ADDRESS LINE NO. 1 <b>502 Main Street</b>							
(5) STREET ADDRESS LINE NO. 2							
(6) CITY <b>Union</b>				(7) STATE <b>IA</b>	(8) ZIP CODE <b>50258-0130</b>		
(9) DAYTIME TELEPHONE NUMBER (include area code) <b>641 486 2211</b>				(10) COUNTRY CODE (if not in U.S.A.)			
FCC REGISTRATION NUMBER (FRN) REQUIRED							
(11) PAYER (FRN) <b>0002587954</b>				(12) FCC USE ONLY			
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET							
(13) APPLICANT NAME							
(14) STREET ADDRESS LINE NO. 1							
(15) STREET ADDRESS LINE NO. 2							
(16) CITY				(17) STATE	(18) ZIP CODE		
(19) DAYTIME TELEPHONE NUMBER (include area code)				(20) COUNTRY CODE (if not in U.S.A.)			
FCC REGISTRATION NUMBER (FRN) REQUIRED							
(21) APPLICANT (FRN)							
COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET							
(23A) CALL SIGN/OTHER ID		(24A) PAYMENT TYPE CODE <b>CUT</b>		(25A) QUANTITY <b>1</b>			
(26A) FEE DUE FOR (PTC) <b>\$895.00</b>		(27A) TOTAL FEE <b>\$895.00</b>					
(28A) FCC CODE 1		(29A) FCC CODE 2					
(23B) CALL SIGN/OTHER ID		(24B) PAYMENT TYPE CODE		(25B) QUANTITY			
(26B) FEE DUE FOR (PTC)		(27B) TOTAL FEE					
(28B) FCC CODE 1		(29B) FCC CODE 2					
SECTION D - CERTIFICATION							
CERTIFICATION STATEMENT I, <u>David Corbett</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.							
SIGNATURE <u>David Corbett</u>				DATE <u>Nov 22, 2005</u>			
SECTION E - CREDIT CARD PAYMENT INFORMATION							
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____							
ACCOUNT NUMBER _____				EXPIRATION DATE _____			
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described							
SIGNATURE _____				DATE _____			

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

**K R A S K I N, M O O R M A N & C O S S O N, L L C**  
ATTORNEYS AT LAW

2120 L Street, N.W., Suite 520  
Washington, D.C. 20037

Telephone (202) 296-8890  
Telecopier (202) 296-8893

November 22, 2005

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> St., S.W.  
Washington, D.C. 20554

Re: Heart of Iowa Communications Cooperative and  
Laurel Telephone Company, Inc., Application for  
Authorization Pursuant to Section 214 of the  
Communications Act of 1934, as Amended, for  
Transfer of Control

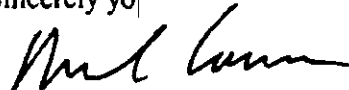
Dear Ms. Dortch:

Attached please find an original and four copies of the Application for Transfer of Control being filed by Heart of Iowa Communications Cooperative and Laurel Telephone Company, Inc. pursuant to Section 214 of the Communications Act and Section 63.04 of the Commission's Rules.

The requisite filing fee and FCC Form 159 Remittance Advice is being submitted by Courier to Mellon Bank, Pittsburgh, Pennsylvania on this date.

Please acknowledge receipt on the "stamp and return" duplicate document attached for this purpose. Please contact me if there are any questions regarding this matter.

Sincerely yours



David Cosson  
Counsel to Heart of Iowa Communications Cooperative and  
Laurel Telephone Company, Inc.

Cc: Tracey Wilson-Parker, Competition Policy Division

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, DC 20554**

In the Matter of )  
 )  
Laurel Telephone Company, Inc. )  
 )  
And )  
 )  
Heart of Iowa Communications Cooperative )  
 )  
Application for Authorization Pursuant to )  
Section 214 of the Communications Act of 1934, )  
as Amended, for Transfer of Control )

W.C. Doc. No. \_\_\_\_\_

**APPLICATION FOR TRANSFER OF CONTROL**

Laurel Telephone Company, Inc. ("Laurel" or "Transferor") and Heart of Iowa Communications Cooperative ("Heart of Iowa" or "Transferee") (collectively the "Applicants"), by their undersigned counsel, and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (the "Act"), and Section 63.04 of the rules of the Federal Communications Commission ("FCC" or the "Commission"), 47 C.F.R. § 63.04, hereby request authority to transfer control of Laurel to Heart of Iowa. The Applicants entered into a Stock Purchase Agreement under which Heart of Iowa will become the provider of telecommunications service to Laurel's subscribers upon completion of the transaction. The Applicants seek streamlined treatment of the Application.

Pursuant to Section 63.04(a) of the Commission's rules, the Applicants provide the following information in support of this transaction:

- (1) **Applicants' Name, Address and Telephone Number**

**Transferor:** Laurel Telephone Company, Inc.  
201 S. Main  
Laurel, Iowa 50141-0032

Telephone: 641 476 3444  
Facsimile: 641 476 3460

**Transferee:** Heart of Iowa Communications Cooperative  
502 Main Street  
Union, Iowa 50258-0130

Telephone: 641 486 2211  
Facsimile: 641 486 2205

**(2) State of Organization**

- (a) Laurel is an Iowa corporation.
- (b) Heart of Iowa is an Iowa cooperative corporation.

**(3) Contact Information**

All correspondence, notices and inquiries regarding this transaction should be addressed to:

**Transferor:** David L. Schmidt, General Manager  
Laurel Telephone Company, Inc.  
P.O. Box 32  
Laurel, Iowa 50141-0032

Telephone: 641 476 3444  
Facsimile: 641 476 3460

**Transferee:** David L. Schmidt, General Manager  
Heart of Iowa Communications Cooperative  
P.O. Box 130  
Union, Iowa 50258-0130

Telephone: 641 486 2211  
Facsimile: 641 486 2205

**Copies of all correspondence, notices, and inquiries should also be addressed to:**

David Cosson  
Kraskin, Moorman & Cosson, LLC  
2120 L Street, NW, Suite 520  
Washington, DC 20037

Telephone: 202 296 8890  
Facsimile: 202 296 8893

**(4) Ten percent (10%) Equity Shareholders**

**Transferor:**

Laurel is a stock corporation of which two thirds of the shares of common stock is locally owned and no person or entity owns 10% or more of the equity.

**Transferee:**

Heart of Iowa is a cooperative corporation of which no individual or entity owns 10% or more of its equity.

**(5) Certification Pursuant to Rules 1.2001-1.2003**

Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

**(6) Description of Transaction**

The Applicants executed a Stock Purchase Agreement for the transfer of all outstanding common stock of Laurel to Heart of Iowa. Upon completion of the transaction, Laurel will be dissolved and its existing customers will become members of Heart of Iowa. Heart of Iowa, which currently manages Laurel under contract, will continue to provide high quality telecommunications service to Laurel's subscribers.

**(7) Geographic Description**

Heart of Iowa provides local exchange and exchange access to eight exchanges in north-central Iowa. On May 21, 2004 the Commission authorized Heart of Iowa to acquire three additional exchanges from Iowa Telecommunications Services, Inc<sup>1</sup>. This transaction has not been consummated, however, because the Commission has yet to act upon the Petition for Waiver of the Definition of Study Area, which was filed at the same time as the Transfer of Control application. Heart of Iowa continues to provide competitive local exchange service in the three exchanges.

Laurel is a local exchange carrier also operating in north central Iowa. Laurel's single exchange is adjacent to two Heart of Iowa exchanges.

**(8) Streamlined Treatment**

Because Heart of Iowa and Laurel have adjacent service areas, this transaction may not qualify for the Presumption of eligibility for streamlined treatment, however streamlined treatment would be consistent with the purposes of the streamlined procedures. Laurel serves only 306 access lines and is currently under common management with Heart of Iowa. Any increase in concentration in the industry will be entirely *de minimis*. Because the transfer will be beneficial to subscribers, the parties wish to close as soon as possible, preferably before the end of December 2005.

**(9) Other Related Applications Before the Commission**

None.

**(10) Statement of Imminent Business Failure**

No party to the transaction faces imminent business failure.

**(11) Separately Filed Waiver Requests**

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<sup>1</sup> Public Notice, *Wireline Competition Bureau Grants Consent for Acquisition of Local Exchange Assets of Iowa Telecom by Heart of Iowa*, WC Doc. No. 03-249, DA 04-1449,

The Applicants submitted no separately filed waivers. Upon completion of the transaction, Heart of Iowa will dissolve Laurel and incorporate the exchange in its current study area. No study area waiver will be required for this consolidation.<sup>2</sup>

**(12) Public Interest Statement**

The proposed transfer serves the public interest and authority to complete the transaction should be duly granted. *In re Application of Western Union Corp. and World Comm., Inc.*, Memorandum Opinion and Order, 4 FCC Rcd 2219, para. 10 (1989) (Public interest is served where the business is "continued in substantially the same form in the hands of the transferee."). Each person in the Laurel exchange who takes service from Heart of Iowa will have all the rights and privileges of a Cooperative member, including voting for a representative to the Board of Directors of Heart of Iowa and eligibility for capital credits that may be allocated. In today's rapidly changing technological, economic and regulatory environment, the subscribers of Laurel will be better served by a larger organization with more resources.

**CONCLUSION**

Applicants seek authority to transfer ownership of a very small local exchange carrier to a larger carrier with more resources and capacity to evolve the service provided. For the foregoing reasons, Applicants respectfully request that the Commission provide this Application streamlined treatment and grant the Application as soon as practicable.

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May 21, 2004

<sup>2</sup> *M&L Enterprises, Inc., d/b/a Skyline Telephone Company, Petition for Waiver of Sections 36.611, 36.612 and 69.2(hh) of the Commission's Rules*, Order, 19 FCC Rcd 6761, 6767 (2004) ("...study area waiver request is not required when...a holding company is consolidating existing study areas in the same state.").

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "David Cosson", written in a cursive style.

By  
David Cosson  
Kraskin, Moorman & Cosson, LLC  
2120 L Street, NW, Suite 520  
Washington, DC 20037  
Attorney for Heart of Iowa Communications  
Cooperative and Laurel Telephone Company, Inc.

November 22, 2005



### DECLARATION OF David L. Schmidt

I, David L. Schmidt, declare under penalty of perjury that Heart of Iowa Communications Cooperative, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and/or non-voting) of Heart of Iowa Communications Cooperative as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on:

Nov. 21, 2005

David L. Schmidt

I, David L. Schmidt, declare under penalty of perjury that Laurel Telephone Company, Inc., including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting and non-voting) of Laurel Telephone Company, Inc. as specified in Section 1.2003(b) of the Commission's Rules, is not subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Executed on:

Nov. 21, 2005

David L. Schmidt

**Certificate of Service**

I, Darlene Poindexter, of Kraskin, Moorman and Cosson, LLC, 2120 L St., N.W., Washington, D.C. 20037, do hereby certify that on this 22 day of November, 2005, a copy of the foregoing "Application for Transfer of Control" was mailed, U.S. First Class postage prepaid, to the following:

The Honorable Tom Vilsack  
Office of the Governor  
State Capitol  
Des Moines, IA 50319

Department of Defense  
Assistant Secretary of Defense for C3I  
1000 Defense Pentagon, Room 3E172  
Washington, D.C. 20301-1000

Department of State  
EB/CIP/SCA  
2201 C Street, N.W.  
Washington, D.C. 20520

William Dever, Deputy Chief\*  
Competition Policy Division  
Wireline Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> St., S.W.  
Washington, D.C. 20554

  
Darlene Poindexter

\* Via Hand Delivery